GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3972
ANSWERED ON:23.12.2015
Separate Tower Company
Subbareddy Shri Yerram Venkata

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government has approved to set up separate company/ companies to take care of tower business of BSNL and MTNL;

(b) if so, the details thereof and the manner in which the separation would be helpful to BSNL and MTNL;

(c) the details of asset value of towers belonging to these PSUs; and

(d) the time by which new company/ companies are likely to be set up?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)

(a) & (b) The Union Cabinet in its meeting held on 5th August, 2015 has approved the proposal for hiving of the telecom tower structure of Bharat Sanchar Nigam Limited (BSNL) into a separate subsidiary company which will be fully owned by BSNL. Establishment of a separate company for holding and managing the tower infrastructure assets of BSNL will enable the new company to unlock the true potential of the tower business and leverage it for expansion of investment and spread of infrastructure. No such proposal is under consideration at present for Mahanagar Telephone Nigam Limited (MTNL).
(c) In case of BSNL, the tower assets are included in the figures of "Aerial and Masts", for which the net book value is Rs 2,206 crores as on 31.03.2015. In case of MTNL, the tower assets are included in the figures of "Apparatus and Plant", for which the net book value is Rs 2,825 crores as on 31.03.2015.
(d) The establishment of a new subsidiary tower company and the transfer of all tower-related assets and liabilities of BSNL is targeted to be completed in nine months.